



Request for Proposals for Retirement Medical Trust Plan

**County of San Bernardino
Human Resources Department
Employee Benefits and Services Division
157 West Fifth Street, 1st Floor
San Bernardino, CA 92415-0440
(909) 387-5563**

RFP # HRD 05-025

Section 1: General Information

The section below is to be completed by all Proposers:

Legal Name			
Street Address			
City/State/Zip			
Telephone/Fax			
e-mail Address			
Internet Address			
Mailing address if different from above:			
Street Address			
City/State/Zip			
Form of Organization			
F.E.I.N.			
Primary Contact Name			
Street Address			
City/State/Zip			
Telephone/Fax			
e-mail Address			
1.1. Is your firm owned by or affiliated with any other organization(s), involved directly or indirectly in any area or aspect of insurance or reinsurance?	YES ()	NO ()	
1.2. If yes, identify organization and relationship.			
1.3. Please identify other names used within the past five (5) years.			
1.4. How long has your organization been providing record keeping services to the following type of plans? (Identify California public sector employers and non-California public sector employers for each of the design types below.)			
1.4.A. Voluntary Employee's Beneficiary Association (VEBA) plans.			
1.4.B. 457 Deferred Compensation plans.			
1.4.C. 401(a) plans.			
1.4.D. 401(k) plans.			
1.4.E. Other post retirement health savings plans. Please identify IRS code or ruling authorizing plan.			
1.5. How many public sector retirement health savings plans do you currently administer?			
1.6. What are the assets and number of participants in these public sector retirement health savings plans?			
1.7. Confirm that the RFP response and your written response to finalist questions will constitute the primary documents which confirm services and your offer if there is a conflict with other legal documents.	Confirm with signature _____		

1.8 Provide the legal authority under which you offer your retirement health savings plan. If the authority is a determination letter, provide a copy of the determination letter that would cover this plan. If this is under a Private Letter Ruling, provide a copy of the letter ruling.	
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Submission Requirements/Minimum Qualifications

Below are requirements expected of all respondents. For each requirement, confirm your firm's ability to comply with the requirement fully. If your response to any requirement is "No," please explain the reason you are unable to meet the requirement. Please sign on the bottom line to attest your firm's ability to comply with the Submission Requirements/Minimum Qualifications.

Submission Requirements/Minimum Qualifications	Compliance
1. Are you willing to sign a contract for a period of five (5) years with the ability by the County to extend the contract under the same conditions up to an additional two (2) one-year periods?	Yes () No ()
2. Does your firm currently provide comprehensive VEBA services to at least two public sector (2) employers?	Yes () No ()
3. Do you agree to not amend, revise or alter your proposal after August 13, 2004, unless formally requested to do so by the County in writing?	Yes () No ()
4. Will you comply with all applicable laws and regulations and commit to keeping the County informed on any legal changes that affect the VEBA plan?	Yes () No ()
5. Will you agree that the initial RFP proposal, including subsequent proposal modifications, will represent the controlling document if there are conflicts between the contract and proposal for confirming services?	Yes () No ()
6. Will you provide a toll-free customer service 800 telephone number for participants to: obtain information on the status of their health reimbursement claims; their account balances; change the allocation or percentage of monies in the various investment funds; request information or publications, including prospectuses, quarterly or annual reports; and have other questions promptly answered?	Yes () No ()
7. For any proposed sub-contractors, are you willing to commit that your organization has primary responsibility for providing services and will be solely responsible to assure that all proposed services are delivered?	Yes () No ()
8. Will you pay all participant distributions, prepare and distribute to participants all required Forms W-2, and prepare and file all reports as required under applicable requirements and state and federal law?	Yes () No ()
9. Will you maintain records of each participant's investments and health care expenses and update these records from hard copy requests or by interactive telephone system/e-mail?	Yes () No ()
10. Will you provide safety systems for maintenance of records including: a) Disaster recovery within twenty-four (24) hours? b) Off-site storage for backup files?	Yes () No ()

c) On-line access for County authorized staff?	
11. Will you be liable and solely responsible for any processing errors (e.g. in the event of a participant's loss of interest, dividend or principal due to your error, will you agree to put the participant in the same position as if the process error had not occurred?)?	Yes () No ()
12. Will you provide access, with reasonable notice, to parties authorized by the County for the purpose of performing any audit or reviews that are deemed necessary?	Yes () No ()
13. Will you provide an annual independent report by a nationally recognized certified public accounting firm?	Yes () No ()
14. Will you provide daily valuation of all investment products and daily transfer privileges for all participants with appropriate reconciliation?	Yes () No ()
15. Will you provide quarterly statements to participants that provide detailed information on the participants' investments and all health reimbursements including, but not limited to: a) summary of all transactions; b) dates of transactions; c) dollar amounts of transactions; d) total shares from transactions; e) net asset value at the time of transactions; and f) beginning and ending balances.	Yes () No ()
16. Will you provide, on a prospective basis, plan-to-plan transfers, lump sum distributions and other transfers/distributions as may be allowed now or by future legislation without financial cost or penalty to plan participants or the County?	Yes () No ()
17. Do you agree that any change to the formulas in the financial grids without prior written authorization of SST Benefits Consulting may result in your immediate disqualification?	Yes () No ()
18. Do you agree that all responses to this Request for Proposals (RFP) shall become the exclusive property of the County? Upon approval of a contract, all accepted proposals shall become a matter of public record and shall be regarded as public, with the exception of those elements of each proposal which are defined by the contractor as business or trade secrets and plainly marked as "Trade Secret," "Confidential" or "Proprietary." Each element of a proposal which a contractor desires not to be considered a public record must be clearly marked as set forth above, and any blanket statement (i.e., regarding entire pages, documents or other non-specific designations) shall not be sufficient and shall not bind the County in any way whatsoever. If disclosure is required or permitted under the California Public Records Act or otherwise by law, the County shall not in any way be liable or responsible for the disclosure of any such records or part thereof.	Yes () No ()

By my signature below I attest that I can commit our firm to the responses on these Submission Requirements/Minimum Qualifications proposed services for the period of the contract.	_____
	Signature

	Title

	Date

Section 2: Investment Policy and Procedures Statement

2.1. Investment Policy and Procedures Statement		
A. The current Investment Policy and Procedures Statement has been provided to you. Please explain any “no” answers.		
1. Do you agree to abide by all the provisions of the policy? (If there is any provision you are unwilling to abide by, please specify.)	Yes ()	No ()
2. Please identify any changes you recommend to the Investment Policy and Procedures Statement.		
2.2. Fixed/Stable Value Fund		
A. Describe your stable value fund (e.g. GIC, General Account, Separate Account, New Money/Old Money/Portfolio).		
B. How long have you managed your proposed fund?		
C. Provide a three (3) year history of credited rates by quarter. If new money/old money is the method, show both.		
D. How are credited rates calculated?		
E. Will this method of crediting interest be constant during the life of this contract? If not, please explain.		
F. Please provide an exhibit of the investments by quality in the proposed account.		
G. Please provide an exhibit of the investments.		
H. What is the average quality of the investments in the proposed fund?		
I. What is the average duration to maturity of fund investments?		

J. Are you willing to establish a guaranteed return for the:		
1. Current year of agreement? If so, what guarantee will you provide?	Yes ()	No ()
2. Second year of agreement? If so, what guarantee will you provide?	Yes ()	No ()
3. Term of agreement? If so, what guarantee will you provide?	Yes ()	No ()
K. List any restrictions regarding transferability of funds (into/out of account) and specify if they apply to an individual's account or the total account.		
L. Does an MVA apply to either the individual or total account? If so, please explain.		
M. Please identify any withdrawal/distribution restrictions during accumulation phase or after service separation.		

2.3. Historical Return on Investment

Provide the actual annualized historical performance rate of return, net yield to participant, net of all charges and expenses, and assuming reinvestment of all dividends and capital gains for the five (5) year period beginning January 1, 1999 and ending December 31, 2003. Include the fund three (3) year and five (5) year averages. The three (3) year and five (5) year indices are based upon the average Morningstar™ return for the pier group asset class and may have to be adjusted by SST Benefits Consulting based upon the fund objective.

Example:

ASSET CLASS	1999	2000	2001	2002	2003	3 Year Average	3 Year Index	+/-	5 Year Average	5 Year Index	+/-
GROWTH											
ABC Fund	23.50%	23.56%	12.65%	13.65%	22.95%	16.42%	20.36%	-3.94%	19.26%	18.04%	1.22%

2.3. Historical Return on Investment (Continued)

ASSET CLASS	1999	2000	2001	2002	2003	3 Year Average	3 Year Index	+/-	5 Year Average	5 Year Index	+/-
SAVINGS											
							TBD	#VALUE!		TBD	#VALUE!
CERTIFICATES OF DEPOSIT											
							TBD	#VALUE!		TBD	#VALUE!
MONEY MARKET											
							TBD	#VALUE!		TBD	#VALUE!
STABLE VALUE											
							TBD	#VALUE!		TBD	#VALUE!
BOND											
							TBD	#VALUE!		TBD	#VALUE!
							TBD	#VALUE!		TBD	#VALUE!
BALANCED											
							TBD	#VALUE!		TBD	#VALUE!
							TBD	#VALUE!		TBD	#VALUE!
LARGE CAP											
							TBD	#VALUE!		TBD	#VALUE!
							TBD	#VALUE!		TBD	#VALUE!
							TBD	#VALUE!		TBD	#VALUE!
							TBD	#VALUE!		TBD	#VALUE!
MID CAP											
							TBD	#VALUE!		TBD	#VALUE!
							TBD	#VALUE!		TBD	#VALUE!
							TBD	#VALUE!		TBD	#VALUE!
SMALL CAP											
							TBD	#VALUE!		TBD	#VALUE!
							TBD	#VALUE!		TBD	#VALUE!
INTERNATIONAL EQUITY (WORLD)											
							TBD	#VALUE!		TBD	#VALUE!
							TBD	#VALUE!		TBD	#VALUE!
INTERNATIONAL EQUITY (FOREIGN)											
							TBD	#VALUE!		TBD	#VALUE!
							TBD	#VALUE!		TBD	#VALUE!
							TBD	#VALUE!		TBD	#VALUE!
							TBD	#VALUE!		TBD	#VALUE!
INDEX FUND											
							TBD	#VALUE!		TBD	#VALUE!
							TBD	#VALUE!		TBD	#VALUE!
ASSET ALLOCATION											
CONSERVATIVE											
							TBD	#VALUE!		TBD	#VALUE!
MODERATE											
							TBD	#VALUE!		TBD	#VALUE!
AGGRESSIVE											
							TBD	#VALUE!		TBD	#VALUE!
OTHER											
							TBD	#VALUE!		TBD	#VALUE!
							TBD	#VALUE!		TBD	#VALUE!
							TBD	#VALUE!		TBD	#VALUE!

2.4. Individual Account Periodic Payment Investment Performance

PERFORMANCE ILLUSTRATION #1

Provide an actual historical performance illustration for a representative investment accumulation, net of all charges and expenses, and assuming reinvestment of all dividends and capital gains for the five (5) year period beginning January 1, 1999 and ending December 31, 2003. Assume a \$100 contribution on the first day of each month.

ACCUMULATED BALANCE AT YEAR END

CLASS OF ASSETS/FUND	12/31/99	12/31/00	12/31/01	12/31/02	12/31/03
Savings					
Certificates of Deposit					
Money Market					
Stable Value					
Bond					
Balanced					
Large Cap					
Mid Cap					
Small Cap					
International Equity					
Index Fund					
Asset Allocation					
Conservative					
Moderate					
Aggressive					
Other (specify)					

2.5. Individual Account Lump Sum Investment Performance

PERFORMANCE ILLUSTRATION #2

Provide an actual historical performance illustration for a representative investment accumulation, net of all charges and expenses, and assuming reinvestment of all dividends and capital gains for the five (5) year period beginning January 1, 1999 and ending December 31, 2003. Assume a \$10,000 lump sum contribution on January 1, 1999.

ACCUMULATED BALANCE AT YEAR END

CLASS OF ASSETS/FUND	12/31/99	12/31/00	12/31/01	12/31/02	12/31/03
Savings					
Certificates of Deposit					
Money Market					
Stable Value					
Bond					
Balanced					
Large Cap					
Mid Cap					
Small Cap					
International Equity					
Index Fund					
Asset Allocation					
Conservative					
Moderate					
Aggressive					
Other (specify)					

2.6. Fund Objectives, Analysis and Ratings

Provide the following analytical information as of December 31, 2003.

CLASS OF ASSETS/FUND	TICKER SYMBOL	MGR TENURE	BETA	SHARPE RATIO	M-STAR CATEGORY*	M-STAR RATING*
Savings						
Certificates of Deposit						
Money Market						
Stable Value/Fixed Acct.						
Bond						
Balanced						
Large Cap						
Mid Cap						
Small Cap						
International Equity						
Index Fund						
Asset Allocation						
Conservative						
Moderate						
Aggressive						
Other (specify)						

* Refer to Morningstar™ fund data as of December 31, 2003.

+ Refer to Morningstar™ for Best Fit Index and Best Fit R-Squared.

Section 3: Record Keeping Services

3.1. Record Keeping Services	
A. Description of Record Keeping Services	
1. Is it a proprietary or leased system?	
2. How long has it been in place?	
3. How many clients are on the system?	
4. Briefly summarize your general security and back up procedures.	
B. Record Keeper	
1. Who is used as record keeper?	
2. How long has record keeper provided VEBA, 457, 401(a), 401(k) services?	
3. What is your relationship/arrangement with record keeper?	
C. Database	
1. How do you propose to obtain your initial database (i.e., names, addresses, etc.)?	
2. How is the database updated?	
3. What are your electronic data transfer capabilities?	

Section 4: Fees/Charges Disclosure

4.1. Fees/Charges Disclosure	
A. Identify all charges and expenses of proposed investment options. List the following charges and expenses as: a) percent of each dollar deposited, b) percent of assets managed, or c) per-participant charge.	
1. Acquisition charge, (i.e., commissions, loads, and similar expenses).	
2. Marketing charges (i.e., 12b-1 fees and similar expenses).	
3. Investment management fees and similar operating expenses.	
4. Contact charges and similar operating expenses.	
5. Surrender charges (i.e., charges to liquidate or transfer assets).	
6. If your proposal includes surrender charges, please indicate clearly under what situations charges apply.	
7. Other – identify and explain.	

B. Describe what restrictions, if any, apply to:	
1. Intra-fund transfers.	
2. Transfer to other investment vendor.	
3. Plan termination.	
4. Payout to participant.	
5. Other.	
C. Describe all record keeping fees. Provide a sample record keeping service contract.	
D. Describe any fees or charges, if any, not covered above.	

4.2. Administration Fees/Charges

2005 FEE STRUCTURE				
Fee/Charges	# Plan	Estimated Annual	Rate Per Month	Annual Cost
Method	Participants	Net Asset Value		to Participants
Fixed Fee				\$0.00
Per Capita Fee	1,300			\$0.00
NAV Fee		\$120,000,000.00		\$0.00
Other Fee				
COMBINED TOTAL				\$0.00

2006 FEE STRUCTURE				
Fee/Charges	# Plan	Estimated Annual	Rate Per Month	Annual Cost
Method	Participants	Net Asset Value		to Participants
Fixed Fee				\$0.00
Per Capita Fee	500			\$0.00
NAV Fee		\$150,000,000.00		\$0.00
Other Fee				
COMBINED TOTAL				\$0.00

2007 FEE STRUCTURE				
Fee/Charges	# Plan	Estimated Annual	Rate Per Month	Annual Cost
Method	Participants	Net Asset Value		to Participants
Fixed Fee				\$0.00
Per Capita Fee	525			\$0.00
NAV Fee		\$180,000,000.00		\$0.00
Other Fee				
COMBINED TOTAL				\$0.00

2008 FEE STRUCTURE				
Fee/Charges	# Plan	Estimated Annual	Rate Per Month	Annual Cost
Method	Participants	Net Asset Value		to Participants
Fixed Fee				\$0.00
Per Capita Fee	550			\$0.00
NAV Fee		\$220,000,000.00		\$0.00
Other Fee				
COMBINED TOTAL				\$0.00

Section 5: Administrative Services

5.1. Medical Expenses	
A. Describe the medical expenses that may be reimbursable under your program.	
B. Describe the procedures for evaluating and paying a request for a medical expense reimbursement.	
C. Is there a procedure for making automatic reimbursements for ongoing insurance premium expenses?	
D. Briefly describe the extent to which nondiscrimination testing may apply to your plan.	
E. What provisions exist for the use of assets in the account on the death of a participant? Do the assets for an individual without a surviving spouse and eligible dependent automatically revert to the employer?	
F. To what extent must the County remain in day-to-day administration of the program? For example, is the employer required to approve medical expense reimbursements?	
G. Who provides medical expense claims processing?	
H. Is the administration of claim reimbursement compliant with HIPAA requirements?	
I. How long does the process take from submission of the reimbursement request to remittance to the participant? (Are you willing to establish a response time and support that response time with at-risk fees? If so, please specify the performance standard and the at-risk fee.)	
J. Is there an appeals process in place for denied claims? If so, please summarize.	
5.2. Communication to Participants (Employees/Retirees)	
A. Discuss how you will communicate the plan to employees/retirees. (Provide samples of all retirement health savings employee enrollment and communication materials.)	
B. Quantify your on-site commitment, including the number of group meetings you will conduct.	
C. Describe the ongoing enrollment and educational programs that will be performed by your on-site service personnel.	

D. Describe the individual consultations your representatives will provide on-site.		
E. Identify dedicated staff's name, job title, address, phone, fax and e-mail numbers, and hours of operation for all staff who will provide direct service to the Plan Sponsor.		
F. For each individual named above, what is the specific experience they have had with California public sector VEBAs?		
G. Describe how much time representatives will dedicate on-site to service this VEBA plan.		
H. Will you fully pay the cost of forms, brochures and informational materials for participants?	Yes ()	No ()
5.3. Phone and Internet Services		
A. List 800 number(s) for participants.		
1. List transactions which can be conducted entirely by phone.		
2. List all information available by phone.		
3. Identify Pacific Standard Time (PST) hours when phone services are available on week-days and weekends.	1. Weekday Hours Availability: 2. Weekend Hours Availability:	
B. List Internet address and all transactions that can be completed on the Internet.	Web Site: Transactions:	
C. Identify security precautions for Internet services. Describe all security protocols. Identify the number of hours your website was down during the last year.		
5.4. Reports		
A. Provide sample reports you routinely provide to employers including:		
1. Individual account and total of all accounts.		
2. Number of participants and total dollars by provider/fund/options.		
3. Monthly health reimbursement report.		
B. Will you provide ad-hoc reports to the County at no cost?	Yes ()	No ()
5.5. Transition Services		
A. Identify staff who will provide services during transition.		
B. Identify FTE Hours available during transition.		
C. For each individual who will be responsible for transition activities, describe their general public sector experience in California and number of years providing services.		

D. Outline your transition plan including:		
1. Major tasks in transition/support.		
2. Your and the County's personnel who must assume primary responsibility for each task.		
3. Target date for completion of tasks.		
E. Identify at least one (1) major conversion within the last five (5) years.		
F. Will you provide the following services at the end of the contract should you not be selected to provide future VEBA services:		
1. Quarterly transaction reports covering current payments to providers?	Yes ()	No ()
2. Overnight electronic transmission of all current accounts to a designated provider?	Yes ()	No ()
3. Electronic information of the previous twelve (12) months payments, including last payment, of accounts in distribution?	Yes ()	No ()

Section 6: Standards and Performance Guarantees

The Proposer selected may be required to agree to the terms contained below. If the selected Proposer has any objections, these objections must be addressed in the RFP response to the County below **or the objections will be deemed to have been waived.**

Insert "Agreed" if you are able to comply with the term and willing to insert it into the contract or other legal documents with the County. For any term that you cannot agree to, please identify the reason you are unable to comply.

Legal/Contract Requirement	Agree/ Disagree
6.1. <u>Representation of the County.</u> In the performance of the Contract, Contractor, its agents and employees, shall act in an independent capacity and not as officers, employees, or agents of the County of San Bernardino.	
6.2. <u>Contractor Primary Contact.</u> The Contractor will designate an individual to serve as the primary point of contact for the Contract. Contractor or designee must respond to County inquiries within two (2) County business days. Contractor shall not change the primary contact without written acknowledgement of the County.	
6.3. <u>Change of Address.</u> Contractor shall notify the County in writing of any change in mailing address within ten (10) business days of the change.	
6.4. <u>Subcontracting.</u> Contractor agrees not to enter into any subcontracting agreements for work contemplated under the Contract without first obtaining written approval from the County. Any subcontractor shall be subject to the same terms and conditions as Contractor. Contractor shall be fully responsible for the performance of any subcontractor.	
6.5. <u>Contract Assignability.</u> Without the prior written consent of the County, the Contract is not assignable by Contractor either in whole or in part.	
6.6. <u>Contract Amendments.</u> Contractor agrees any amendments, alterations,	

variations, modifications, or waivers of the provisions of the Contract shall be valid only when reduced to writing, duly signed and approved by the County Board of Supervisors.	
6.7. <u>Attorney Fees and Costs.</u> Contractor agrees to bear its own attorneys' fees and costs regardless of who prevails in the event of a contractual dispute and not charge such fees as an expense under this Contract.	
6.8 <u>Venue.</u> The venue of any action or claim brought by any party to this Contract will be the Central District Court of San Bernardino County. Each party hereby waives any law or rule of the court which would allow them to request or demand a change of venue. If any action or claim concerning this Contract is brought by any third-party and filed in another venue, the parties hereto agree to use their best efforts to obtain a change of venue to San Bernardino County.	
6.9. <u>Jury Trial Waiver.</u> Contractor and County hereby waive their respective rights to trial by jury for any cause of action, claim, counterclaim, or cross-complaint in any action, proceeding, and/or hearing brought by either Contractor against County or County against Contractor on any matter arising out of or in any way connected with this Contract, the relationship of Contractor and County, or any claim of injury or damage, or the enforcement of any remedy under any law, statute, or regulation, emergency or otherwise, now or hereafter in effect.	
6.10. <u>Licenses and Permits.</u> Contractor shall ensure that it has all necessary licenses and permits required by the laws of federal, state, county, and municipal laws, ordinances, rules and regulations. The Contractor shall maintain these licenses and permits in effect for the duration of this Contract. Contractor will notify County immediately of loss or suspension of any such licenses and permits. Failure to maintain a required license or permit may result in immediate termination of this Contract.	
6.11. <u>Conflict of Interest.</u> Contractor shall make all reasonable efforts to ensure that no conflict of interest exists between its officers, employees, or subcontractors and the County. Contractor shall make a reasonable effort to prevent employees, consultants, or members of governing bodies from using their positions for purposes that are, or give the appearance of being, motivated by a desire for private gain for themselves or others such as those with whom they have family, business, or other ties.	
6.12. <u>Improper Consideration.</u> Contractor shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash, discounts, services, the provision of travel or entertainment, or any items of value to any officer, employee, group of employees, or agent of the County in an attempt to secure favorable treatment or consideration regarding the award of this Contract. The County, by written notice, may immediately terminate this Contract if it determines that any improper consideration as described in the preceding paragraph was offered to any officer, employee, group of employees, or agent of the County with respect to the proposal and award process. This prohibition shall also apply to any amendment, extension or evaluation process once a contract has been awarded. Contractor shall immediately report any attempt by a County officer, employee, group of employees, or agent to solicit (either directly or through an	

intermediary) improper consideration from Contractor. The report shall be made to the supervisor or manager charged with supervision of the employee or to the County Administrative Office.	
In the event of a termination under this provision, the County is entitled to pursue any available legal remedies.	
6.13. <u>Inaccuracies or Misrepresentations</u> . If, in the course of the RFP process or in the administration of a resulting contract, the County determines that Proposer has made a material misstatement or misrepresentation or that materially inaccurate information has been provided to the County, the Proposer may be terminated from the RFP process or in the event a contract has been awarded, the Contract may be immediately terminated.	
In the event of a termination under this provision, the County is entitled to pursue any available legal remedies.	
6.14. <u>Former County Officials</u> . Contractor agrees to provide or has already provided information on former County of San Bernardino administrative officials (as defined below) who are employed by or represent Contractor. The information provided includes a list of former County administrative officials who terminated County employment within the last five (5) years and who are now officers, principals, partners, associates or members of the business. The information also includes the employment with or representation of Contractor. For purposes of this provision, "County administrative official" is defined as a member of the Board of Supervisors or such officer's staff, County Administrative Officer or member of such officer's staff, County department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit.	
6.15. <u>Recycled Product Procurement Policy</u> . Contractor agrees to comply with the County's Recycled Product Procurement Policy No. 11-17, which states, "It is County policy to promote the development of markets for recycled and recyclable products by establishing preferential purchase programs applicable to San Bernardino County departments, consultants, contractors, and other entities or organizations doing business with the County."	
Indemnification and Insurance Requirements	
6.16. <u>Indemnification</u> . The Contractor agrees to indemnify, defend and hold harmless the County and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages and/or liability arising from Contractor's acts, errors or omissions of any person and for any costs or expenses incurred by the County on account of any claim therefore, except where such indemnification is prohibited by law.	

<p>6.17. <u>Insurance Coverage</u>. Without in any way affecting the indemnity herein provided and in addition thereto, Contractor shall secure and maintain throughout the Contract the following types of insurance with limits as shown:</p> <p>a) <u>Workers' Compensation</u> - A program of Workers' Compensation insurance or a State-approved Self-Insurance Program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with two hundred fifty thousand dollars (\$250,000) limits, covering all persons providing services on behalf of the Contractor and all risks to such persons under this Contract.</p> <p>If Contractor has no employees, it may certify or warrant to County that it does not currently have any employees or individuals who are defined as "employees" under the Labor Code and the requirement for Workers' Compensation coverage will be waived by the County's Risk Manager.</p> <p>With respect to Contractors who are nonprofit corporations organized under California or federal law, volunteers for such entities are required to be covered by Workers' Compensation insurance. If the County's Risk Manager determines that there is no reasonably priced coverage for volunteers, evidence of participation in a volunteer insurance program may be substituted.</p> <p>b) <u>Comprehensive General and Automobile Liability Insurance</u> - This coverage to include contractual coverage and automobile liability coverage for owned, hired and non-owned vehicles. The policy shall have combined single limits for bodily injury and property damage of not less than twenty-five million dollars (\$25,000,000).</p> <p>c) <u>Errors and Omission Liability Insurance</u> - Combined single limits of ten million dollars (\$10,000,000) for bodily injury and property damage and twenty-five million dollars (\$25,000,000) in the aggregate.</p>	
<p>6.18. <u>Additional Named Insured</u>. All policies, except for Workers' Compensation, Errors and Omissions and Professional Liability policies shall contain additional endorsements naming the County and its officers, employees, agents and volunteers as additional named insureds with respect to liabilities arising out of the performance of services hereunder.</p>	
<p>6.19. <u>Waiver of Subrogation Rights</u>. Except for Errors and Omissions and Professional Liability, Contractor shall require the carriers of the above required coverages to waive all rights of subrogation against the County, its officers, employees, agents, volunteers, contractors, and sub-contractors.</p>	
<p>6.20. <u>Policies Primary and Non-Contributory</u>. All policies required above are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by the County.</p>	
<p>6.21. <u>Proof of Coverage</u>. The Contractor shall immediately furnish certificates of insurance to the County Department administering the Contract evidencing the insurance coverage, including endorsements above prior to the commencement of performance of services hereunder; these certificates shall provide that such insurance shall not be terminated or expired without thirty (30) days written notice to the Department, and Contractor shall maintain such</p>	

<p>insurance from the time Contractor commences performance of services hereunder until the completion of such services. Within sixty (60) days of the commencement of this Contract, the Contractor shall furnish certified copies of the policies and all endorsements.</p>	
<p>6.22. <u>Insurance Review</u>. The above insurance requirements are subject to periodic review by the County. The County's Risk Manager is authorized, but not required, to reduce or waive any of the above insurance requirements whenever the Risk Manager determines that any of the above insurance is not available, is unreasonably priced, or is not needed to protect the interests of the County. In addition, if the Risk Manager determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Risk Manager is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against the County, inflation, or any other item reasonably related to the County's risk.</p> <p>Any such reduction or waiver for the entire term of the Contract and any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Contract. Contractor agrees to execute any such amendment within thirty (30) days of receipt.</p>	
<p>Right to Monitor and Audit</p>	
<p>6.23. <u>Right to Monitor</u>. County or any subdivision or appointee thereof, and the State of California or any subdivision or appointee thereof, including the Auditor General, shall have absolute right to review and audit all records, books, papers, documents, corporate minutes, and other pertinent items as requested, and shall have absolute right to monitor the performance of Contractor in the delivery of services provided under this Contract. Full cooperation shall be given by Contractor in any auditing or monitoring conducted.</p> <p>Contractor shall cooperate with County in the implementation, monitoring and evaluation of this Contract and comply with any and all reporting requirements established by County.</p>	
<p>6.24. <u>Availability of Records</u>. All records pertaining to service delivery and all fiscal, statistical and management books and records shall be available for examination and audit by county, federal and state representatives for a period of three (3) years after final payment under the Contract or until all pending county, state and federal audits are completed, whichever is later. Program data shall be retained locally (in the county) and made available upon request or turned over to County. If said records are not made available at the scheduled monitoring visit, Contractor may, at County's option, be required to reimburse County for expenses incurred due to required rescheduling of monitoring visit(s). Such reimbursement will not exceed \$50 per hour (including travel time) and be deducted from the following month's claim for reimbursement.</p> <p>Records of the Contractor which do not pertain to the program shall not be subject to audit unless provided for in another agreement.</p>	

6.25. <u>Assistance by Contractor.</u> Contractor shall provide all reasonable facilities and assistance for the safety and convenience of County's representatives in the performance of their duties. All inspections and evaluations shall be performed in such a manner as will not unduly delay the work of the Contractor.	
6.26. <u>Contract Compliance.</u> Contractor agrees to comply with the provisions of Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, Title VII of the Civil Rights Act of 1964, the California Fair Employment and Housing Act, San Bernardino County Emerging Small Business Enterprise Policy 11-15, and any other applicable federal, state and county laws, regulations, and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted. Information on these rules and regulations may be obtained from the Small Business Development Manager of the County of San Bernardino at (909) 387-2165.	
6.27. <u>Gratuity.</u> Contractor shall not offer or otherwise distribute any bonus, gratuity or other payment to any County officer, employee, subscribers, or groups of subscribers for the purpose of inducing enrollment or to existing subscriber or group of subscribers for the purpose of inducing the continuation of enrollment.	
6.28. <u>Confidentiality.</u> Contractor acknowledges that all information made available by the County about its employees is confidential. Contractor agrees that it will not distribute, disclose or release to any third party any such information except as may be necessary to the performance of services hereunder either during or at any time after the term of the Contract, except upon the prior written approval of the County.	
6.29. <u>Termination.</u> The County may immediately terminate after notice of material breach is sent to the Contractor and the breach is not cured within fifteen (15) business days of receipt of such notice. For the purpose of the Contract, the term "material breach" shall be defined to mean the failure of Contractor to perform all of its obligations under the Contract. The Director of Human Resources has full discretion and authority to exercise County termination rights under the Contract.	

Section 7: References

Please assure that the names and phone numbers listed below are current names and numbers. You may want to contact references you provide to: 1) assure accuracy of information below and 2) notify references that they may be contacted by the Plan Sponsor.

List three (3) General References (Name, Address, Phone)
1.
2.
3.
List Last Two (2) Accounts of Similar Size Implemented
1.
2.
List all accounts cancelled/not renewed in last five years (Name, Address, Phone)
1.
2.
3.
4.